



Global Steel Trade Monitor

Steel Imports Report: India

May 2019

Background

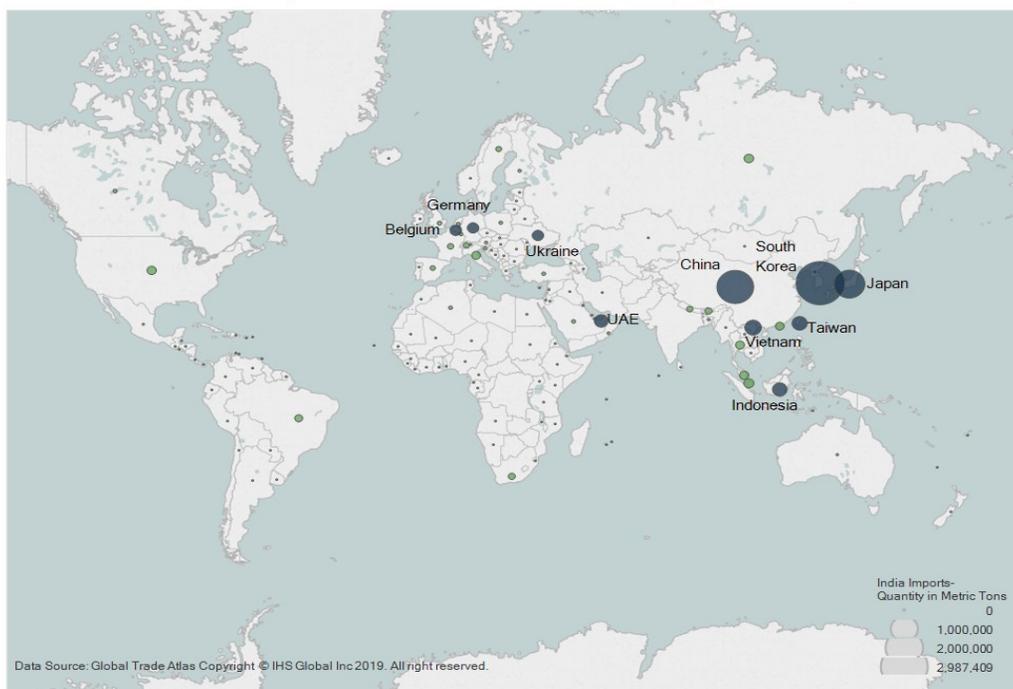
India was the world's fifteenth-largest steel importer (2017). In 2018, India imported 8.95 million metric tons of steel, essentially unchanged from 8.89 million metric tons in 2017. India's imports represented about 2 percent of all steel imported globally in 2017. The volume of India's 2018 steel imports was slightly over one-quarter that of the world's largest steel importer, the United States. In value terms, steel represented just 1.7 percent of the total goods imported into India in 2018.

India imports steel from over 160 countries and territories. The ten countries labeled in the map below represent France's top sources of steel in 2018, together accounting for 85 percent of steel imports.

Quick Facts:

- World's 15th-largest steel importer(2017)
- 8% steel import growth since 2009
- 2018 import volume up 1%, while import value up 20%
- Import penetration at 8.5% in 2018, down from 9.4% in 2017
- Top three import sources: South Korea, China, Japan
- Largest producers: ArcelorMittal, RIVA Group, CELSA
- 25 trade remedies in effect against imports of steel mill products

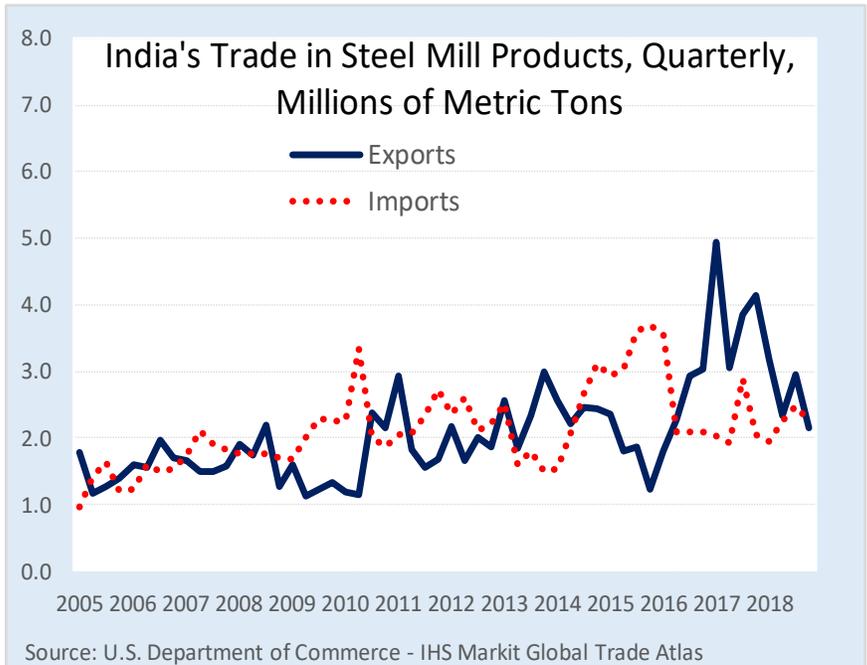
India's Imports of Steel Mill Products-2018 (Top Ten in Blue)



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Steel Trade Balance

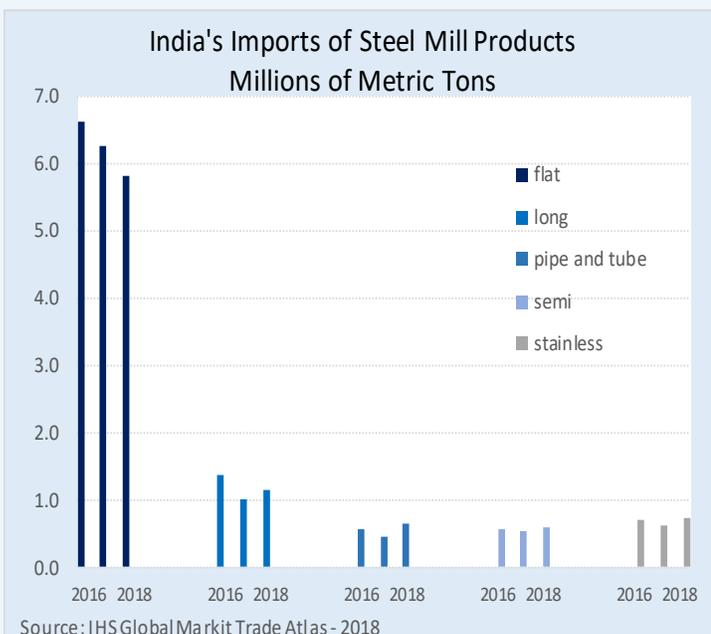
India has experienced periods where it is a net importer of steel, such as between 2014 and 2016, and periods where it is a net exporter of steel, such as in 2011 or 2017. As of 2018, India is a net exporter of steel mill products, with a surplus of nearly 1.7 million metric tons, though this is down from a surplus of 7 million metric tons in 2017, as India's exports of steel have decreased significantly since peaking in Q1 2017. India's steel imports have been relatively flat, increasing just 8 percent from 2009 to 2018, while exports increased 101 percent over the same period.



Import Volume, Value, and Product

India's imports of steel mill products have gradually declined since climbing to nearly 13.3 million metric tons in 2015, though imports are up 1 percent by volume in 2018 at 8.95 million metric tons, compared to 8.89 million metric tons in 2017. The value of India's imports have been increasing since 2016, currently up 20 percent from 2017 at \$8.9 billion in 2018.

Flat products account for 65 percent of India's steel imports in 2018 — a total of 5.8 million metric tons. Long products accounted for 13% of imports (1.1 million metric tons), followed by stainless products at 8% (737 thousand metric tons), pipe and tube products at 7% (655 thousand metric tons), and semi-finished products at 7% (582 thousand metric tons).

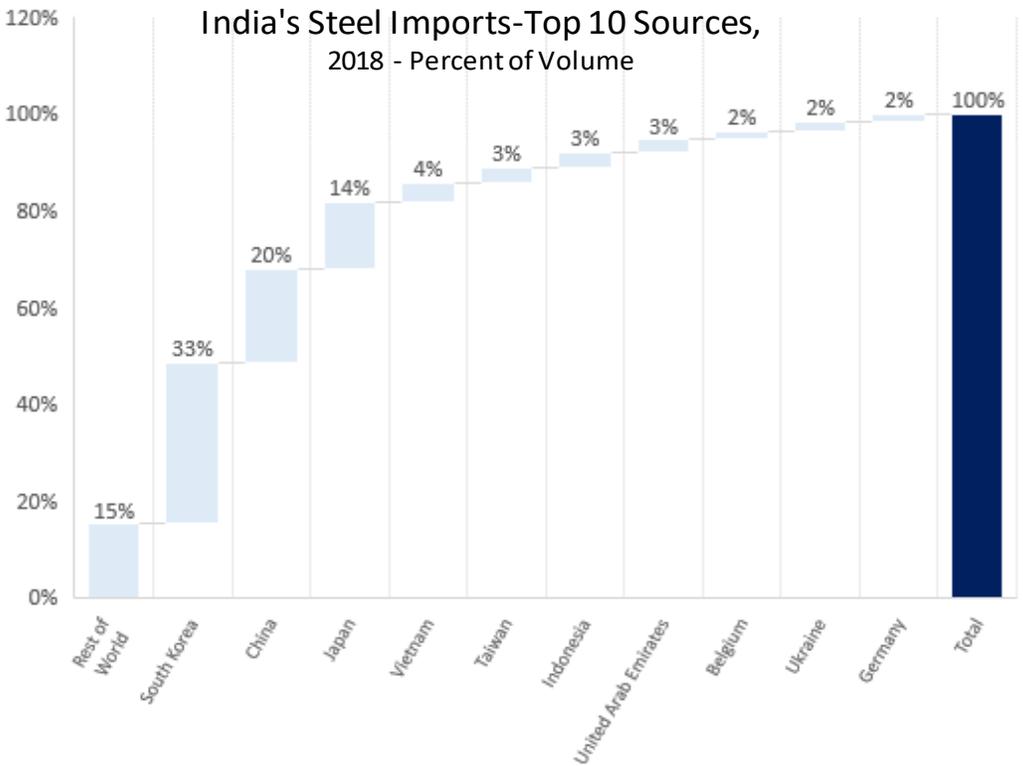


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Imports by Top Source

The top 10 source countries for India's steel imports represent 85 percent of its total steel import volume in 2018 at 7.6 million metric tons (mmt). South Korea accounted for the largest share with 33 percent (3.0 mmt), followed by China at 20 percent (1.7 mmt), and Japan at 14 percent (1.2 mmt)

The United States ranked 13th as a source for India's steel imports, sending over 100 thousand metric tons.



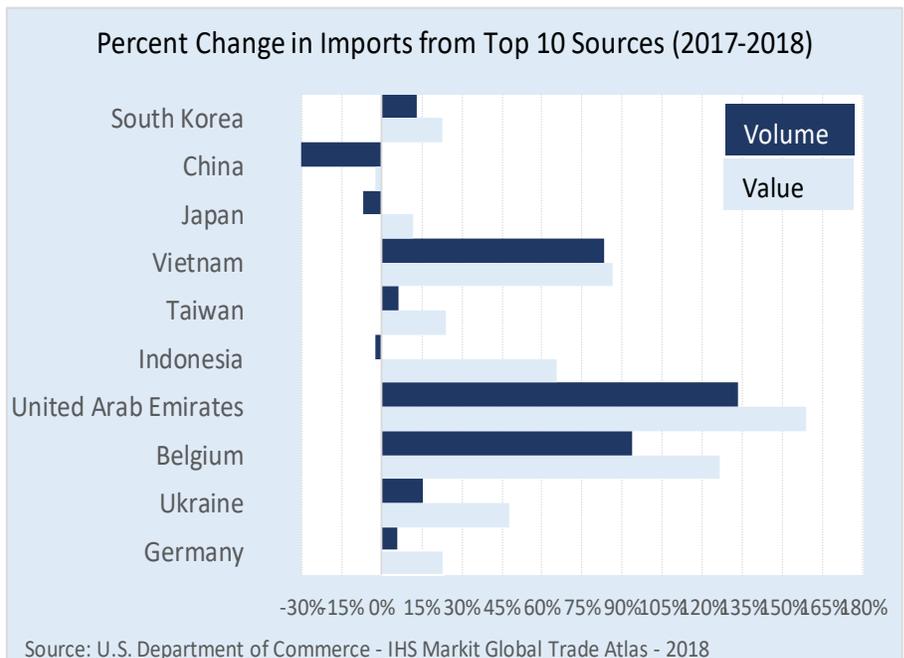
Source: U.S. Department of Commerce - IHS Markit Global Trade Atlas - 2018

Trends in Imports from Top Sources

The volume of India's steel imports increased from 7 of its top 10 steel import sources between 2017 and 2018. Imports from United Arab Emirates showed the largest increase in 2018, up 133 percent by volume, followed by India's imports from Belgium (94%), Vietnam (83%), Ukraine (16%), South Korea (13%), Taiwan (6%), and Germany (6%). Imports from China, Japan, and Indonesia all decreased in volume in 2018 — down 30 percent, 7 percent, and 2 percent, respectively.

India's imports in value terms increased from 9 of its top 10 sources with the largest increases from United Arab Emirates (159%), Belgium (127%), Vietnam (87%), Indonesia (65%), Ukraine (48%), Taiwan (24%), South Korea (23%), Germany (23%), and Japan (12%). India's imports decreased by value only from China (-2%).

Other notable changes in India's import volume included imports from 12th-ranked Russia (-46%), 15th-ranked Thailand (120%), and 16th-ranked Hong Kong (2,946%).



Source: U.S. Department of Commerce - IHS Markit Global Trade Atlas - 2018

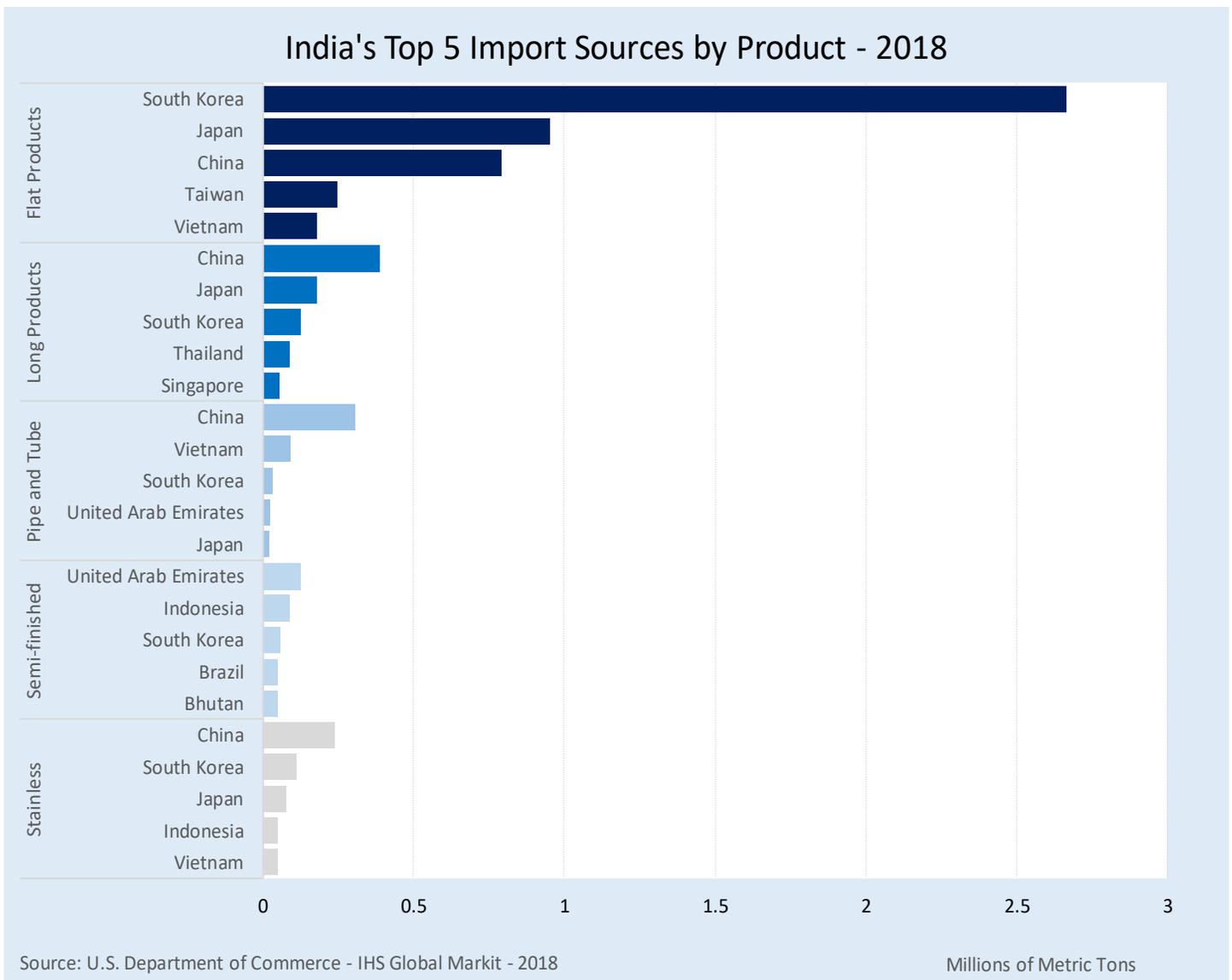
Steel Imports Report: **India**

Top Sources by Steel Product Category

The top source countries for India’s imports by volume vary across types of steel products, though China is the top source for 3 of the 5 product categories. In 2018, China was India’s largest source of imported long, pipe and tube, and stainless products at 34 percent (389 thousand metric tons), 47 percent (307 thousand metric tons), and 32 percent (236 thousand metric tons), respectively.

South Korea represented the largest source of India’s imported flat products at 46 percent (2.7 million metric tons), while United Arab Emirates was the largest source for India’s imported semi-finished products at 21 percent (123 thousand metric tons).

The United States was not a top import source for any product category.



Steel Imports Report: India

India's Export Market Share from Top Source Countries

In 2018, the change in the share of steel exports sent to India from its top import sources was mixed, with five of ten import sources increasing. India's export market share increased the most for South Korea (up 1.5 percentage points), followed by Ukraine (up 0.5 percentage points), then Taiwan (up 0.3 percentage points), while India's export share was essentially flat for Japan and Germany (both up 0.1 percentage points).

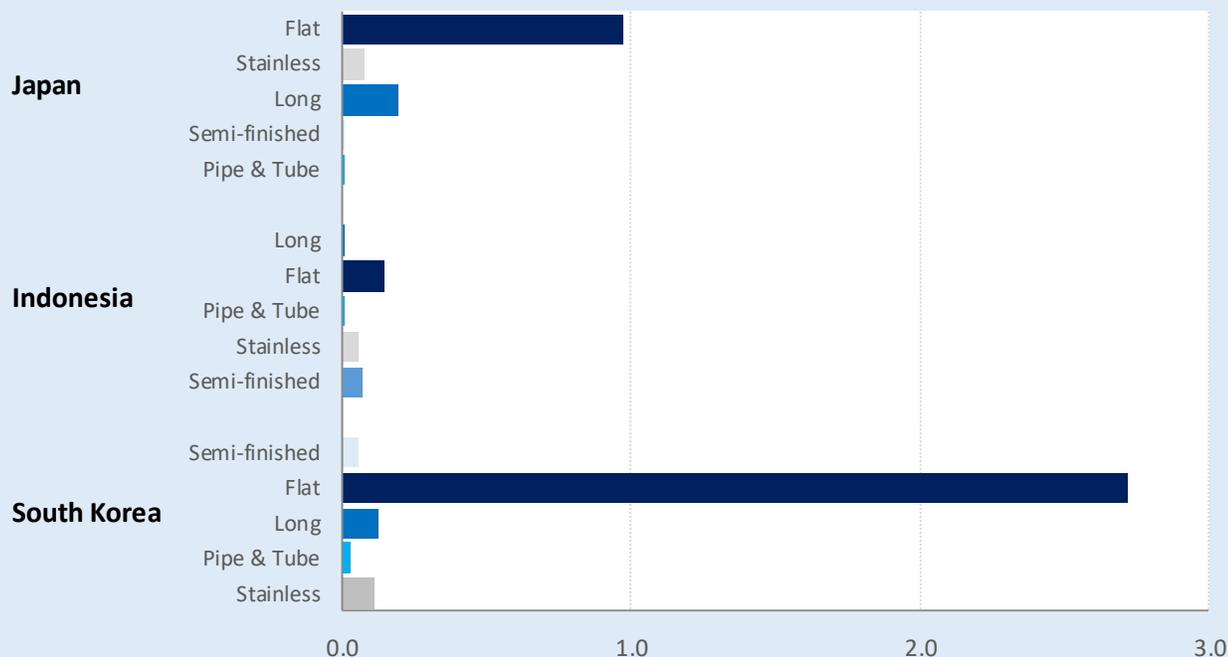
The share of the Indonesia's steel exports to India showed the largest decrease (down 4.6 percentage points from 2017), followed by China and France (both down 0.3 percentage points), and Russia (down 0.2 percentage points).

Among India's top import sources, South Korea, Indonesia, and Japan sent the largest shares of their steel exports to India. Flat products accounted for 89 percent (2.7 mmt), of Korea's steel exports to India, 77 percent of Japanese exports to India (971 thousand metric tons), and 50 percent of Indonesia's steel export to India (147 thousand metric tons) in 2018.

India's Steel Export Market Share					
Top 10 Import Sources	Share of Exports to India - 2017	India's Rank in 2017	Share of Exports to India - 2018	India's Rank in 2018	Change in Share
South Korea	8.8%	3	10.3%	3	↑
China	3.4%	6	3.1%	6	↓
Japan	3.4%	10	3.6%	10	↑
Indonesia	12.2%	2	7.6%	4	↓
Taiwan	2.2%	15	2.5%	15	↑
Russia	0.5%	30	0.3%	39	↓
Vienam*	N/A	N/A	N/A	N/A	N/A
Germany	0.5%	24	0.6%	25	↑
France	0.6%	21	0.4%	22	↓
Ukraine	0.9%	21	1.4%	17	↑

Source: IHS Markit Global Trade Atlas, based on import data per reporting country
 *Note: Trade data unavailable for Vietnam

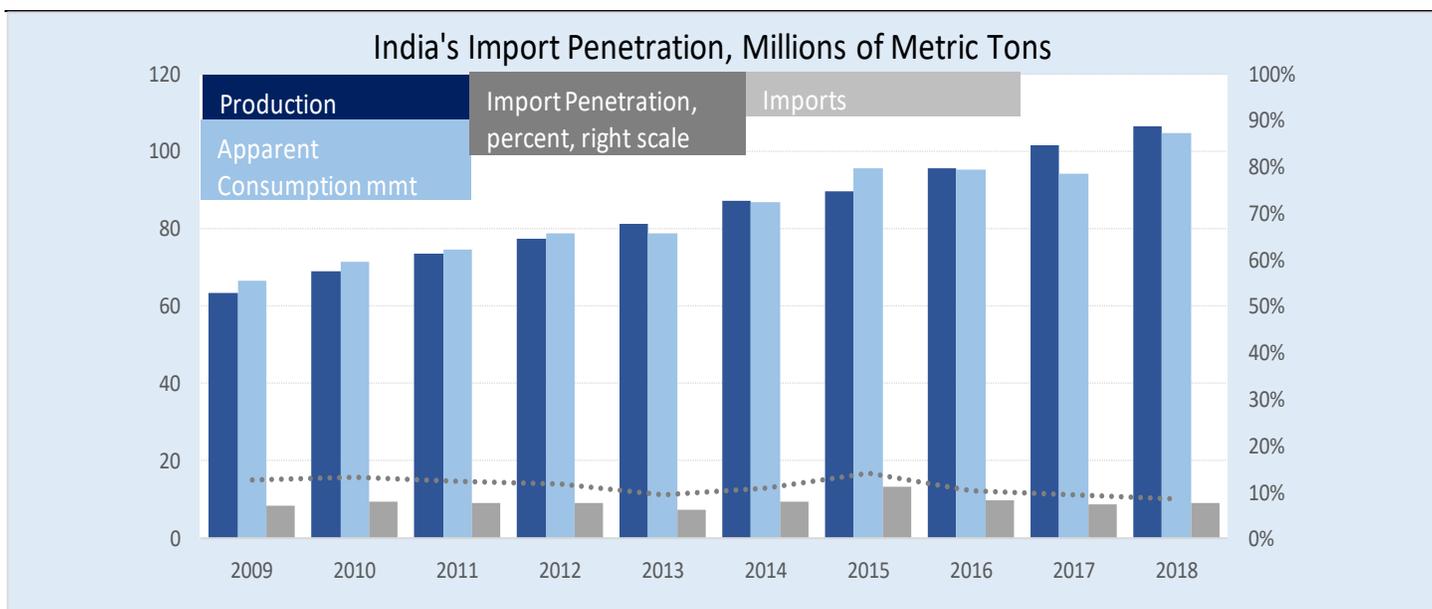
Steel Export Composition of Top Market-Share Countries-2018



Source: IHS Markit Global Trade Atlas, based on import data per reporting country

Millions of Metric Tons

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	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Production	63.5	69.0	73.5	77.3	81.3	87.3	89.6	95.6	101.5	106.5
Apparent Consumption	66.5	71.6	74.7	78.9	79.0	87.0	95.6	95.4	94.4	104.8
Imports	8.3	9.5	9.2	9.3	7.4	9.4	13.3	9.8	8.9	9.0
Import Penetration	12.4%	13.2%	12.3%	11.8%	9.4%	10.8%	13.9%	10.3%	9.4%	8.5%

Source: U.S. Department of Commerce, World Steel Association, IHS Markit Global Trade Atlas - 2018

Overall Production and Import Penetration

India’s crude steel production has increased 40 percent since 2009. In 2018, India’s crude steel production increased 5 percent to 106.5 million metric tons, up from 101.5 million metric tons in 2017. Apparent consumption (a measure of steel demand) has tracked relatively closely to production and has been consistently growing. Production exceeded apparent consumption in 2018 by approximately 1.7 million metric tons. India’s level of import penetration has been gradually decreasing since 2015. In 2018, import penetration decreased to 8.5 percent, down from 9.4 percent in 2017.

Top Producers

Before economic reforms in 1991, steel production in India was concentrated among state-owned companies. Private companies now dominate crude steel production in India. The top 6 producers accounted for 53.8 million metric tons or around 50% percent of total 2017 production, based on available data.

Rank	Company	Production (mmt)	Main Products
1	JSW Steel Limited	16.5	Hot-rolled coils, plates, sheets, galvanized
2	Steel Authority of India	14.5	Flat, structural, rails, tubular
3	TATA Steel Group	10	Hot-rolled/cold-rolled coils and sheets, galvanized, tube
4	Essar Steel Group	5.4	Plates, pipes, cold-rolled, galvanized
5	Rashtriya Ispat Nigam Li	4	Specialty, wire rod, rebar, structural, rounds
6	Jindal Steel and Power I	3.4	Rails, beams, coils, wire rod

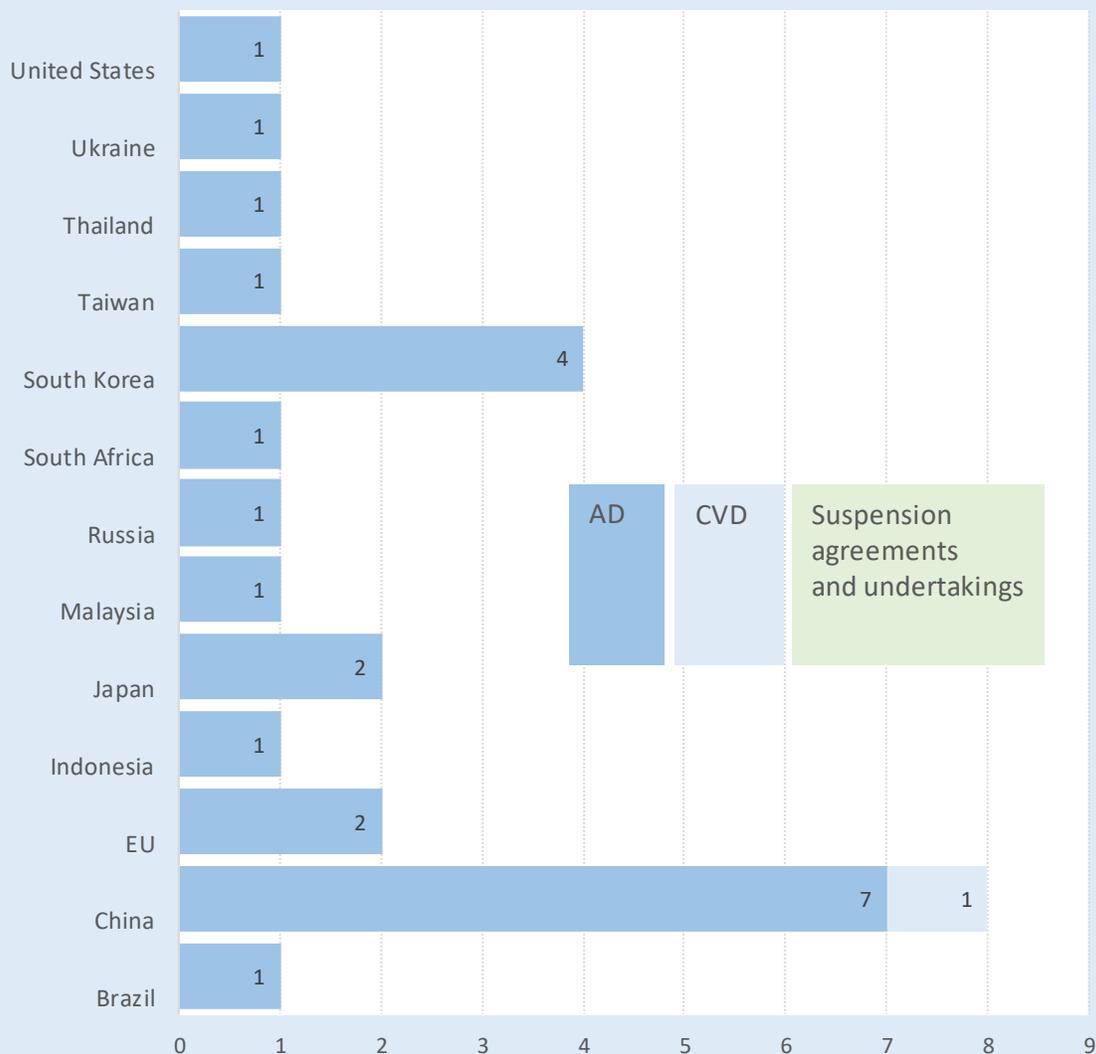
Source: World Steel Association; Hoover's; Bloomberg; Company websites

Steel Imports Report: India

Trade Remedies in the Steel Sector

Antidumping duties (AD), countervailing duties (CVD), associated suspension agreements, and safeguards are often referred to collectively as trade remedies. These are internationally agreed upon mechanisms to address the market-distorting effects of unfair trade, or serious injury or threat of serious injury caused by a surge in imports. Unlike anti-dumping and countervailing measures, safeguards do not require a finding of an “unfair” practice. Before applying these duties or measures, countries investigate allegations and can remedy or provide relief for the injury caused to a domestic industry. The table below provides statistics on the current number of trade remedies India has against imports of steel mill products from various countries. India currently has no steel mill safeguards in effect.

India's Steel Trade Remedies in Effect Against Steel Mill Imports



Source: World Trade Organization, through June 30, 2018

Steel Imports Report: Glossary

Apparent Consumption: Domestic crude steel production plus steel imports minus steel exports. Shipment data are not available for all countries, therefore crude steel production is used as a proxy.

Export Market: Destination of a country's exports.

Flat Products: Produced by rolling semi-finished steel through varying sets of rolls. Includes sheets, strips, and plates. Used most often in the automotive, tubing, appliance, and machinery manufacturing sectors.

Import Penetration: Ratio of imports to apparent consumption.

Import Source: Source of a country's imports.

Long Products: Steel products that fall outside the flat products category. Includes bars, rails, rods, and beams. Used in many sectors but most commonly in construction.

Pipe and Tube Products: Either seamless or welded pipe and tube products. Used in many sectors but most commonly in construction and energy sectors.

Semi-finished Products: The initial, intermediate solid forms of molten steel, to be re-heated and further forged, rolled, shaped, or otherwise worked into finished steel products. Includes blooms, billets, slabs, ingots, and steel for castings.

Stainless Products: Steel products containing at minimum 10.5% chromium (Cr) offering better corrosion resistance than regular steel.

Steel Mill Products: Carbon, alloy, or stainless steel produced by either a basic oxygen furnace or an electric arc furnace. Includes semi-finished steel products and finished steel products. For trade data purposes, steel mill products are defined at the Harmonized System (HS) 6-digit level as: 720610 through 721650, 721699 through 730110, 730210, 730240 through 730290, and 730410 through 730690. The following discontinued HS codes have been included for purposes of reporting historical data (prior to 2007): 722520, 722693, 722694, 722910, 730410, 730421, 730610, 730620, and 730660.

Global Steel Trade Monitor: The monitor provides global import and export trends for the top countries trading in steel products. The current reports expand upon the early release information already provided by the Steel Import Monitoring and Analysis (SIMA) system that collects and publishes data on U.S. imports of steel mill products. Complementing the SIMA data, these reports provide objective and current global steel industry information about the top countries that play an essential role in the global steel trade. Information in these reports includes global exports and import trends, production and consumption data and, where available, information regarding trade remedy actions taken on steel products. The reports will be updated quarterly.

Steel Import Monitoring and Analysis (SIMA) System: The Department of Commerce uses a steel import licensing program to collect and publish aggregate data on near real-time steel mill imports into the United States. SIMA incorporates information collected from steel license applications with publicly released data from the U.S. Census Bureau. By design, this information provides stakeholders with valuable information on the steel trade with the United States. For more information about SIMA, please go to <http://enforcement.trade.gov/steel/license/>.



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